

# LOCAL PHONE SERVICE RATES

## INTRALATA TOLL SERVICES

### IntraLATA Toll Rates - Optional Toll Plan #1

#### RATES

##### IntraLATA Toll

##### Monthly Minimum

##### Usage Commitment

##### 18 Month Term

##### 36 Month Term

\$25.00	\$0.1350	\$0.1175
\$100.00	\$0.1250	\$0.1075
\$500.00	\$0.1150	\$0.0975
\$1,000.00	\$0.1075	\$0.0875
\$3,000.00	\$0.0975	\$0.0775

#### CALL ROUNDING/MINIMUM

Call Minimum ..... 30 Seconds

Call Rounding ..... 6 Seconds

#### HOURS

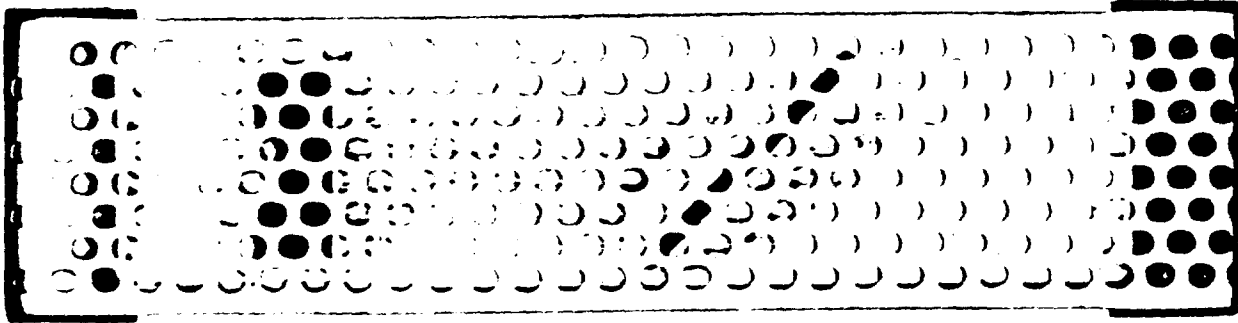
Rates Apply To All Times

INSTALLATION CHARGE ..... \$0.00



**BROOKS**  
FIBER COMMUNICATIONS

2855 Oak Industrial Dr. NE  
Grand Rapids, MI 49506-1277  
616-224-4200



**BROOKS**  
FIBER COMMUNICATIONS

BROOKS FIBER COMMUNICATIONS  
2855 OAK INDUSTRIAL DR NE  
GRAND RAPIDS MI 49506





## LOCAL EXCHANGE SERVICE ORDER AGREEMENT

### CUSTOMER INFORMATION

#### BILLING INFORMATION

Customer Name EI Hispano Newspaper  
Address 1451 Grandville Ave SW  
Grand Rapids, MI 49509  
Telephone Number 452-1511  
Contact Name Jaime Malene  
Number of Locations \_\_\_\_\_  
Type of Business \_\_\_\_\_

#### INSTALLATION INFORMATION

Customer Name \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone Number \_\_\_\_\_  
Contact Name \_\_\_\_\_  
(see addendum's for customer and site information)

### LOCAL EXCHANGE TERM PLAN OPTIONS

#### STANDARD BUSINESS LINE SERVICE TERM PLAN - PER CIRCUIT ORDERED

MTM 12 Month 24 Month 36 Month 60 Month

#### DIGITAL BUSINESS LINE SERVICE TERM PLAN - PER CIRCUIT ORDERED

MTM 12 Month 24 Month 36 Month 60 Month

#### ISDN - PRIMARY RATE INTERFACE TERM PLAN - PER CIRCUIT ORDERED

MTM 12 Month 24 Month 36 Month 60 Month

#### INTRALATA TOLL TERM PLAN

MTM Minimum Monthly Usage  
Commitment (MMUC) 18 Month 36 Month  
\$25.00  
\$100.00  
\$500.00  
\$1,000.00  
\$3,000.00

### LOCAL EXCHANGE TERMS & CONDITIONS

#### LETTER OF AGENCY

The undersigned hereafter known as the "Customer" appoints Brooks Fiber Communications hereafter known as "Brooks" as its agent to order changes in and maintenance on specific telecommunications service(s) provided to the undersigned including without limitation removing adding to or rearranging such telecommunications service(s) for the purpose of implementing Brooks local exchange offering. Brooks is hereby released from any and all liability for acting on pertinent information submitted by the Customer to Brooks and for following the Customer's instructions with reference to any changes or maintenance to said telecommunications service(s). Customer must deal directly with Brooks on all matters pertaining to paid telecommunications service(s) and must follow Brooks instructions with reference hereto. This authorization shall remain in force until the Customer notifies Brooks in writing 30 days prior to the Customer's intent to terminate this agreement. Customer hereby authorizes that the Service Billing Records be released to Brooks.

#### PAYMENT POLICY

Based on inadequate or poor credit history the Customer may be required to provide a deposit to initiate service with Brooks. Payment is due on the described "Due Date." The Due Date shall be the date stated on the Customer's invoice. In the event payment is not received by Brooks on or before the next Due Date, Brooks will impose a late payment fee on the outstanding unpaid balance at a rate equal to 1.5%. Customer is responsible for payment of all charges associated with their service including any applicable late fees.

#### START OF SERVICE

The term of this agreement shall begin at the time the service is installed "Start of Service."

#### AGREEMENT END DATE

Upon completion of term, this agreement to provide local exchange service(s) shall continue on a month to month basis at the prevailing month to month rate(s) until the Customer terminates this agreement by providing written notice to Brooks 30 days prior to termination. Additional Local Exchange Services and/or Products ordered at later dates shall adhere to the specified term length of this Agreement and shall be coterminous with this Agreement unless otherwise noted.

#### GENERAL LIMITATION OF LIABILITY OF US SIGNAL

In the event that service is interrupted for any reason whatsoever, Brooks shall not be liable for any damages whatsoever, including without limitation, any direct, indirect, consequential, special, actual, punitive or other damages, or for lost profits of any kind or nature whatsoever. The sole obligation of Brooks in the event service is interrupted for whatever reason, is to use best efforts to repair service.

#### TERM PLAN CONDITIONS & PENALTIES

Customer subscribing to the Standard Business Line Term Plan or Digital Business Line Term Plan shall be charged the monthly rate for said service(s) that is in effect in Brooks Tariff M P S C No. 2R as of the date this agreement is executed. Should Brooks increase the monthly rate for said service(s) at any time throughout the term of this Agreement, Customer may terminate the portion of this Agreement associated with Standard Business Line service or Digital Business Line service, at will, given (30) days written notice to Brooks.

**Standard Business Line Term Plan** - If the Customer terminates the Standard Business Line Term Plan prior to its completion, the Customer will be responsible for reimbursing Brooks 65% of the following penalty charges. The number of Standard Business Lines, multiplied by the applicable monthly rate (including Federal Line Charge), multiplied by the number of months remaining in the Customer's Standard Business Line Term Plan.

**Digital Business Line Term Plan** - If the Customer terminates the Digital Business Line Term Plan prior to completion, the Customer will be responsible for reimbursing Brooks 65% of the following penalty charges. The number of Digital Business Lines, multiplied by the applicable monthly rate (including Federal Line Charge), multiplied by the number of months remaining in the Digital Business Line Term Plan. Customer will also be responsible for reimbursing Brooks for the monthly T-1 facility charge, multiplied by the number of T-1's, multiplied by the number of months remaining in the Customer's Digital Business Line Term Plan.

**ISDN - Primary Rate Interface** - If the Customer terminates the ISDN - Primary Rate Interface Term Plan prior to its completion, the Customer will be responsible for reimbursing Brooks 65% of the following penalty charges. The number of Digital T-1's equipped with ISDN Primary Rate Interface, multiplied by the appropriate monthly rate, multiplied by the number of months remaining in the ISDN Primary Rate Interface MRC Term Plan.

**Intrastate Toll Term Plan** - If the Customer fails to meet the applicable 18 month or 36 month minimum monthly usage commitment in any given month, the Customer will be charged the difference between the actual qualifying monthly usage and the applicable minimum usage commitment selected by the Customer. If the Customer terminates the agreement prior to the completion of term, the Customer will be billed an amount equal to the remaining number of months in the agreement, multiplied by the applicable minimum monthly usage commitment (MMUC).

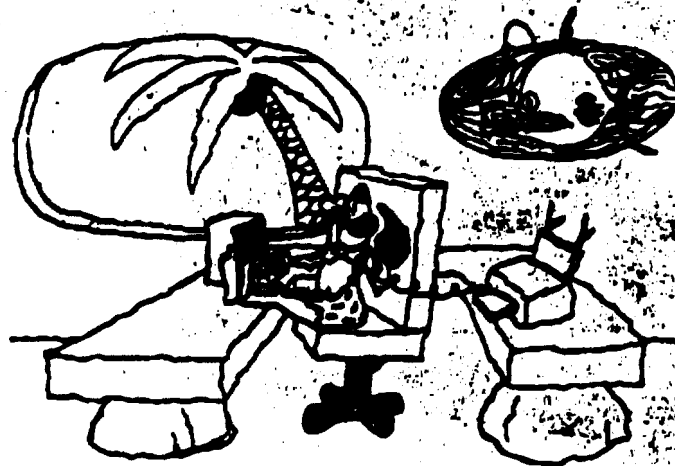
### LOCAL EXCHANGE CREDIT REFERENCE INFORMATION

Bank Name \_\_\_\_\_ Contact Name \_\_\_\_\_ Telephone Number \_\_\_\_\_  
Customer Reference \_\_\_\_\_ Telephone Number \_\_\_\_\_  
Customer Reference \_\_\_\_\_ Telephone Number \_\_\_\_\_  
Customer Reference \_\_\_\_\_ Telephone Number \_\_\_\_\_  
Customer Reference \_\_\_\_\_ Telephone Number \_\_\_\_\_

### LOCAL EXCHANGE SERVICE AUTHORIZATION

Customer Signature \_\_\_\_\_ Date \_\_\_\_\_  
Printed Name \_\_\_\_\_ Telephone Number \_\_\_\_\_  
Brooks Fiber Communications Representative Sarah Tetter Date 3-19

**Before US Signal local phone  
competition was in the stone age.  
Hey this is the 1990's.  
Relax...  
Now you have a choice!**

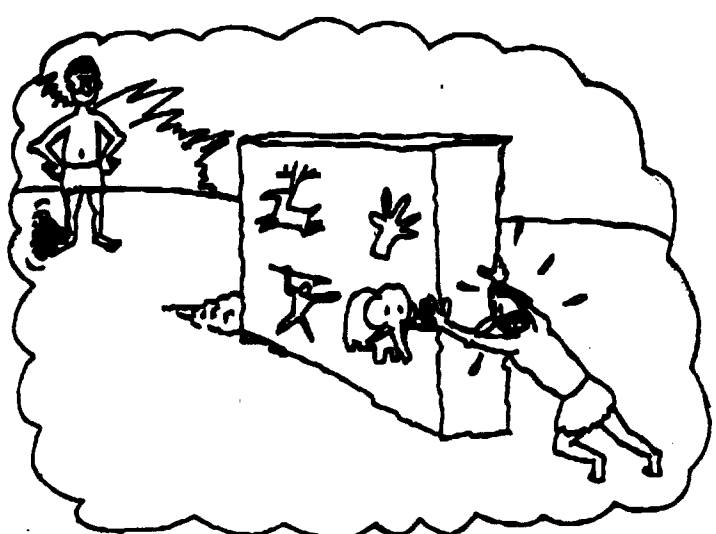


**US SIGNAL**  
CORPORATION

Advanced communications. Clear and simple.


**1-800-7SIGNAL**

*To: Competitive Team  
Fr: Terry Mulvihill*




**Before US Signal  
you had two  
choices...**

**Ameritech  
or  
Stone Tablets**

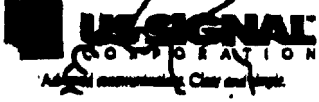


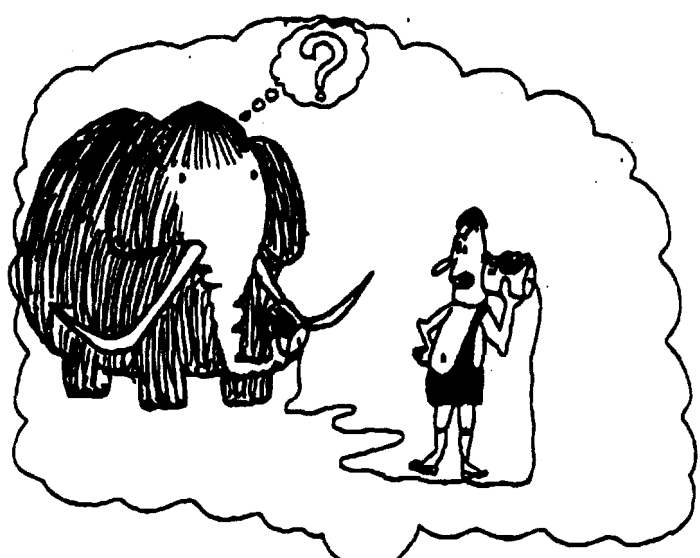
**US SIGNAL**  
CORPORATION  
Aeromarine Electronics, Clear and Bright



**Before US Signal  
you had two  
choices...**


**Ameritech  
or  
Smoke Signals**





**Before US Signal  
you had two  
choices ...**

**Ameritech  
or  
Two Tin Cans &  
A Wire**



Advanced communications. Clear and simple.

400 FREE Local Calls A Month and 2 Calling Features Absolutely FREE for 30 Days!

### FREEDOM to Choose

*It's True!* Thanks to **US SIGNAL** You've been given the **FREEDOM** to do something that you never could do before...*Choose your local telephone service!* Not long distance. **Local telephone.** This means that for Grand Rapids residents Ameritech is no longer your only alternative. To make things even more exciting **US SIGNAL** would also like to give you an *opportunity for savings.*

### Putting YOU in Control

After fighting the barriers that have prevented YOU from having a choice, **US SIGNAL** has paved the way for YOU to be in control! With your new found power you'll be able to demand *better pricing, more features and high quality service.* In order to introduce you to **US SIGNAL** the other phone company, we are pleased to bring you this *limited time special offer.*

400 Free Locals Calls a Month  
2 Call Features\* Absolutely Free for 30 Days

### FREEDOM from Risk

The **US SIGNAL** *satisfaction guarantee* makes this opportunity completely **RISK FREE.** You can keep your present telephone number and if you're not completely satisfied with your new service we'll pay your way back to Ameritech! *Act now* by filling out the convenient order form included in this mailing. Return your order immediately and we'll install your new phone service for **FREE.**

### Nothing to Lose

**Think about it for a minute.**

All of your life you've only had one choice when it came to your local telephone provider. When rates went up you had no say in the matter. The truth is that you had no say in anything.

Not Service.

Not Quality.

Not Features.

Not ANYTHING!

Now you're in the driver's seat and **US SIGNAL** has given you the keys. Take it for a spin on us. We're positive you won't be disappointed!

\*Choose from Call Waiting, Call Forwarding, Voice Mail, and 3-Way Conference Calling.

☐ **YES**

I want to exercise my power to choose. Please enroll me as a **US SIGNAL** local phone service customer, and I authorize **US SIGNAL** to notify Ameritech of this choice for the telephone number(s) listed on this form. I authorize **US SIGNAL** to facilitate the change-over process from Ameritech to **US SIGNAL's** local telephone service.

Signature: \_\_\_\_\_

Do you wish to keep your present telephone number:

☐ Yes ☐ No

Long distance carrier:

☐ AT&T ☐ MCI ☐ Sprint  
☐ **US SIGNAL** ☐ Other: \_\_\_\_\_

FREE calling feature selection:

☐ Call Forwarding ☐ Call Waiting  
☐ 3-Way Conference Calling ☐ Voice Mail

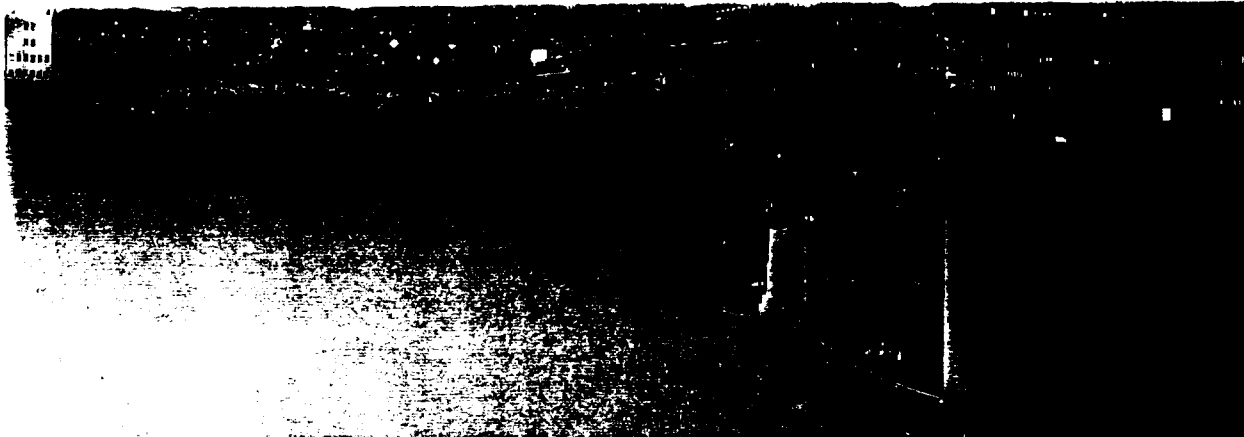
I would like to add an additional line:

☐ Yes ☐ No

Other numbers: \_\_\_\_\_

Ms Pamela M. Clarke  
150 Maryland Ave NE  
Grand Rapids, MI 49503-3936





**US-SIGNAL**  
CORPORATION

2855 Oak Industrial Drive N.E.  
Grand Rapids, MI 49506

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U.S. POSTAGE PAID  
GRAND HAVEN, MI  
Permit No. 10

**US-SIGNAL** has  
given you your freedom,  
and now we'd like to give  
you something else that's  
**FREE!**

CARRIER ROUTE PRESORT C037 \*\*

Ms Pamela M. Clarke  
150 Maryland Ave NE  
Grand Rapids, MI 49503-3936



**US-SIGNAL**  
CORPORATION

2855 Oak Industrial Drive N.E.  
Grand Rapids, MI 49506



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UNITED STATES



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**US-SIGNAL**  
CORPORATION

2855 Oak Industrial Drive N.E.  
Grand Rapids, MI 49502-6184





**US SIGNAL**

Advanced communications. Clear and simple.

7/26/95

Becky  
VanBelkum Business Systems  
1563 Plainfield, N.E.  
Grand Rapids, MI 49505

Dear Becky,

US Signal has some exciting news that we're pleased to share with you. In May, US Signal began offering the first real alternative to Ameritech local phone service in Grand Rapids history. What this means for you and your business is freedom to choose which company will be best for you based on competitive issues. No longer are you held hostage by a single provider. Your local phone service provider will have to earn your business and US Signal will do just that.

As a long distance carrier US Signal has a tradition of bringing you the high quality service and competitive long distance pricing that has become our trademark. Now you can realize this same level of service and competitive pricing with US Signal as your local phone service provider. Based in this community for over 10 years, US Signal understands your business environment. Because we know your market, we can help you be more productive. Because we are experts at telecommunications, we will introduce you to innovative approaches to voice, video, and data in addition to advanced features such as voice mail, call forwarding, call waiting, caller ID, and conference calling. Because we listen to our customers and then respond to their needs, we will continue to allow them to shape our services.

Exercising your right to switch is simple and easy. First, you will not have to give up your current telephone number(s). Thanks to a mechanism called "number portability" any migration from Ameritech to US Signal will include the retention of your current phone number(s). This means that there will be no need for additional advertising or costly changes in business stationary. Second, US Signal will install your new local phone service for free. That means you can make the choice without having to pay a start-up cost all over again. Third and most important, if you're not satisfied with US Signal's quality or level of Customer Care, we'll pay your way back to Ameritech anytime in your first year of service.

During the next few weeks we will be sharing with you the details of our local phone services. This will give you an opportunity to take a fresh look at your business' phone service, it's efficiency, it's level of productivity, and of course, cost. Now is the time to take advantage of local phone service competition and exercise your right to choose. We believe this is a tremendous opportunity and urge you to take a look at our local phone services. If you have questions about our service prior to our contacting you, please call me at, 224-4245, and I will be happy to help you.

Once again, we thank you for the support you have given US Signal throughout the years and we look forward to serving your local phone service needs in the future.

  
Nancy Smith  
Account Representative

7/26/95

MAY 30 1995 15:02

354 F01

**US SIGNAL**  
CORPORATION

*HOT*

[Redacted]	
Co./Dept.	Co.
Phone #	Phone #
[Redacted]	Fax #

As you may have heard, US Signal has been granted a license to provide local service in the Grand Rapids area. What this means to you, the customer, is that you can now look to one company to service all your telecommunications needs. With US Signal, you will receive one bill for both your local dial tone service and your long distance calling. Plus, you will have the convenience of only having to call one place to report trouble, add or delete lines, or just to ask a question.

*one party contract*

*Proactive*

My job as your Account Service Representative is to service your account and make sure that US Signal is filling all of your communications needs. As such, I will be contacting you soon to discuss local service and how our service can be a benefit to your company.

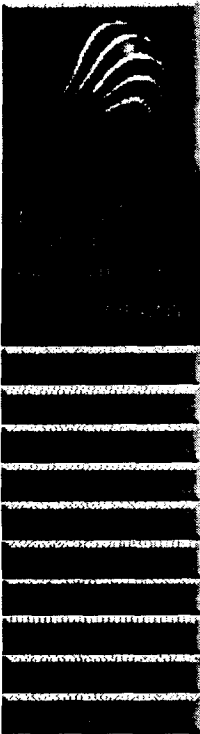
I am currently taking orders for local service, if you are interested or would like more information, please call me at 224-4335. You may be contacted by a member of our outside sales team, just let them know you are a current US Signal customer and are dealing with your ASR.

Again, please feel free to call me regarding any questions you may in reference to both local and long distance. I look forward to talking to you.

Sincerely,

*Erika Neer*

Erika Neer  
Account Service Representative



# BROOKS FIBER PROPERTIES, INC.

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## Company Profile

Brooks Fiber Communications (BFC) is one of the leading providers of competitive local telecommunications services in mid-sized U.S. cities. Formed just three years ago, Brooks Fiber is among the fastest-growing and financially-strongest in the marketplace. With fiber optic networks in operation or under development in 30 metropolitan areas across the country, competing directly with the regional Bell operating companies, BFC is on target for reaching the goal to be in at least 50 markets by the end of 1998.

Brooks Fiber Communications is a subsidiary of Brooks Fiber Properties (BFP). BFP is a public company traded on the NASDAQ under BFPT. BFP was founded by Robert A. Brooks to build and operate fiber optic networks required by the convergence of voice, data, video and computer technologies. The company was created to meet the high speed digital transmission needs of the next century. BFC draws on the support of its parent company, particularly its considerable expertise, knowledge and capabilities in matters relating to high technology and financial management.

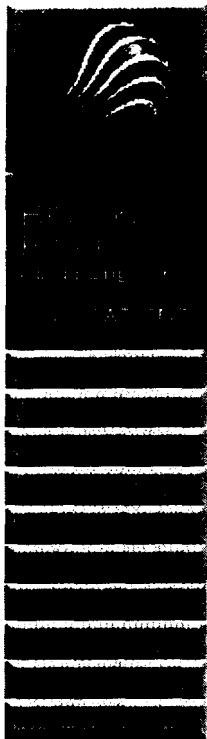
Brooks Fiber Communications' mission is to provide business, government and carrier customers with a broad array of innovative voice, data and video telecommunications solutions on the company's state-of-the-art digital fiber-optic networks, backed by the highest quality customer service. The Company's telecommunications services are provided over digital fiber optic networks which employ advanced, redundant electronics and dual path architecture to ensure reliable and secure telecommunications. BFC's networks are monitored 24 hours a day, seven days a week through BFC's network operations and control center in St. Louis, Missouri and Grand Rapids, Michigan.

The Company's diverse product line includes the most reliable high-capacity services on the market, such as fiber-based self-healing metropolitan area networks, providing economical voice, video and data connections, broadband video conferencing, native-speed LAN/WAN interconnection, ATM, frame relay and local exchange switched services.

[Click here for company officers.](#)

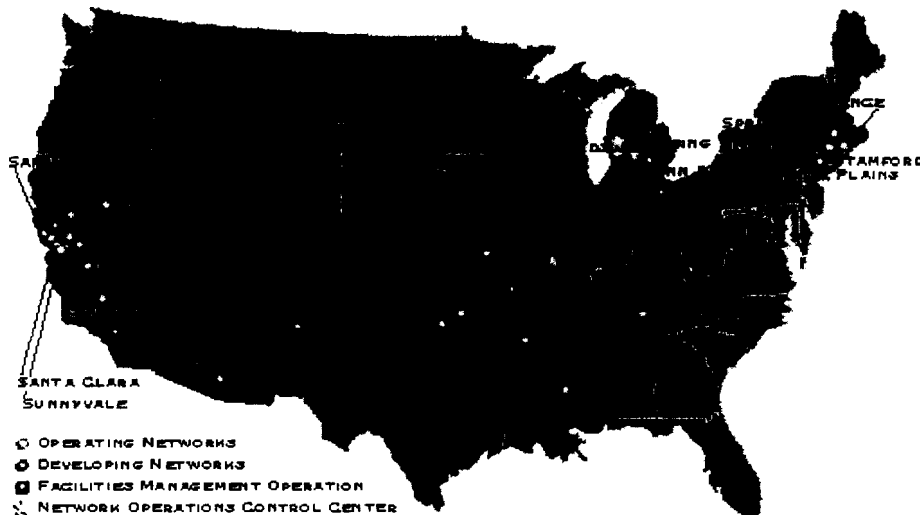
Another subsidiary of Brooks Fiber Properties, GLA International, provides network design, engineering, and construction services, strategic planning, infrastructure planning, design and implementation of management information systems to Brooks Fiber and a variety of clients in the telecommunications industry.

**Brooks Fiber's GLA International**



# BROOKS LOCATIONS

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## Western Region

Bakersfield | Fresno | Reno | Palo Alto | Milpitas | Reno | Sacramento |  
San Francisco | San Jose | San Mateo | Santa Clara | Sunnyvale |

## Southwestern Region

Albuquerque | Tucson

## Central Region

Jackson | Kansas City | Knoxville | Little Rock | Oklahoma City |  
Springfield MO | St. Louis | Tulsa

## Great Lakes Region

Ann Arbor | Grand Rapids | Lansing | Toledo

## Northeastern Region

Hartford | Providence | Springfield MA | Stamford | White Plains

[Brooks Logo][Buttons][Image]

## Brooks Fiber Communications

### "Technology Sensibly Applied"

Brooks Fiber Properties Inc., doing business as Brooks Fiber Communications, is the fastest-growing CLEC (competitive local exchange carrier) in North America.

Brooks Fiber builds state-of-the-art fiber-optic telecommunications networks that cross-connect at the high-volume COs (central offices) of incumbent LECs in Tier II and Tier III\* MSAs (U.S. metropolitan statistical areas). In other words, Brooks Fiber builds competitive local phone companies in medium-sized U.S. cities. To date, Brooks Fiber operates, or is constructing, networks in 25 MSAs.

Brooks Fiber Communications employs 300 talented, committed individuals, 100 of whom work in 15 local offices in 11 states, from California to Massachusetts. By the end of 1996, management forecasts call-for Brooks Fiber to employ 600; the number of North American networks should number 30.

Formed in 1993, Brooks Fiber is already one of the top leaders among a new breed of about 45 CLECs in the nation. Brooks Fiber's unusual success is attributable to strong strategic management, including exploitation of excellent timing for entry into the competitive telecommunications arena. The other factor in Brooks Fiber's early success is the depth of its financial resources, including enthusiastic support from an elite cadre of highly-credible institutional investors.

Brooks Fiber's reputation for strategic management derives from the great depth of expertise among its senior managers, whose previous senior management responsibilities were with Regional Bell Operating Companies (RBOCs), international long-distance carriers, national cable TV companies, the U.S. Department of Commerce, and a famous international investment banking firm. This is the kind of experience at the helm of Brooks Fiber.

\* American Map Corporation's 1995 Business Control Atlas designates MSAs with populations of 500,000 to 1 million as Tier II, and MSAs with populations of 250,000 to 500,000 as Tier III.

## Brooks Fiber's GLA International

### "Intelligent Engineering Decisions"

Brooks Fiber isn't just the fastest-growing CLEC in North America, building modern networks in the nation's largest cities. Brooks Fiber is also the only CLEC to share its considerable expertise and engineering resources with small, medium-sized and emerging phone companies and cable TV operators through Brooks Fiber's GLA International.

Brooks Fiber's GLA International supports about 100 domestic LECs and CATV systems, as well as a number of incumbent and start-up Canadian, South American and overseas telecommunications providers.

GLA International supports telecommunications companies by licensing its powerful proprietary mapping and managerial software, by skillfully and promptly converting manual records to machine-readable databases, even serving as an outsource for a franchise's professional day-to-day management.

Investors wanting to capitalize on emerging investment opportunities in telecommunications -- even emerging LECs and CATV operators wanting to reach for bigger slices of the fast-changing domestic and international

telecommunications markets -- are turning to GLA International's consulting division for advice and counsel. 3

In addition to GLA International's domestic clientele are current or pending customer relationships in the nations of Canada, Columbia, The People's Republic of China, Russia and Nigeria.

BFC Communications LD

To be published week of Mon., Feb. 11.

[Brooks Logo][Buttons][Image]

## Brooks Fiber Revenue Increases 125%

### Begins Switched Services and Expands Networks

### Proceeds from IPO Will Fund Continued Expansion

ST. LOUIS, MISSOURI -- May 10, 1996 -- Brooks Fiber Properties, Inc. [Nasdaq: BFPT], a competitive local telecommunications services company, today reported a 125 percent increase in revenues to \$6.8 million for the first quarter ended March 31, 1996, as compared to \$3.0 million recorded in the prior year's first quarter. Annualized revenue, based on results from the month of March 1996, was \$30.6 million.

Jim Allen, Chief Executive Officer, said, "During the first quarter Brooks Fiber achieved many significant milestones. Most importantly, we began providing switched services, which marks the transition of Brooks Fiber to a full service provider of competitive local exchange services. We expanded the capacity and number of networks. We built on our strategic relationships with the largest long distance carriers and end user customers. The addition of \$450 million to our capital resources since the beginning of the year, from a bond offering and the May 2 initial public offering of the company's common stock, is key to Brooks Fiber's stated expansion to 30 markets by the end of 1996.

"Brooks Fiber is very excited to be able to offer switched services, and we are delighted with the results of our initial entry into switched services in Grand Rapids, Michigan, which is one of the four networks we acquired in the first quarter. The installation of switches will provide enhanced capabilities to our customers. The company is experiencing increasing demand for enhanced switched services, including frame relay, LAN-to-LAN interconnection services, high speed video conferencing, and Internet access."

Since December 31, the company has raised approximately \$450 million in gross proceeds to fund its expansion to 30 networks, the installation of switching electronics in these networks, and initial operating losses. Specifically, in February, the company issued \$425 million of ten year 10 7/8 percent Senior Discount Notes for gross proceeds of approximately \$250 million. On May 2, the Company sold 7,385,331 shares of common stock at an initial public offering price of \$27.00 per share, raising gross proceeds of approximately \$200 million.

Brooks Fiber significantly increased its network capabilities and capacity in the first quarter

On January 31, the company acquired City Signal, including an installed state-of-the-art DMS-500 switch in Grand Rapids, Michigan, enabling the company to provide a complete array of local exchange services in that market. The Grand Rapids network produced annualized switched services revenue of \$4.8 million, based on monthly results for March 1996.

In addition to the entry into switched services in Grand Rapids, Michigan, the company has installed switches in networks serving Hartford, Connecticut and Sacramento, California, bringing the total number of switched markets the company serves to three. The company has ordered and expects to install switches serving 20 of its 25 markets by the end of 1996. Brooks Fiber has established interconnection arrangements with Ameritech, Southern New England Telecommunications, NYNEX, and Pacific Telesis covering 16 of these 20 markets and is in the process of negotiating similar arrangements with local telephone companies in the other four markets.

Mr. Allen continued, "Network capacity, route miles, and fiber miles are



5

useful measures of the robustness of Brooks Fiber's networks. During the first quarter, the company made impressive gains as shown by each of these measures. Network capacity, as reflected in the number of buildings connected to Brooks Fiber's networks, increased 246 percent in the last twelve months to 495 buildings at March 31, 1996, compared to 143 buildings at March 31, 1995. As reflected in voice grade equivalent circuits,

network capacity increased 96 percent to 165,122 VGE circuits, compared to 84,384 in the prior year's first quarter. By the end of the quarter, Brooks Fiber had constructed or acquired networks which extend a total of 507 route miles, representing a total of 26,659 fiber miles."

Brooks Fiber significantly strengthened both its scope of services and infrastructure by acquiring GLA International effective January 2, 1996. GLA provides significant telecommunications expertise to independent telephone companies across the United States. This expertise includes network construction and design, mapping, billing programs and property records management. GLA also complements Brooks Fiber's infrastructure and systems, which are increasingly important to the company as it continues its entry into competitive local exchange services.

#### DISCUSSION OF FINANCIAL RESULTS

The \$3.8 million increase in revenue from the prior year's first quarter reflects the impact of the company's acquisition and development activities, including an increase in the number of networks in operation to twelve from six in the prior year's first quarter, and increases in network utilization arising from the sales of additional services to current and new customers.

Consistent with the company's expectations, earnings before interest, taxes and depreciation (EBITDA) for the first quarter was (\$2.7) million as compared to (\$0.9) million recorded in the prior year's first quarter, reflecting the company's continued investment in network infrastructure and personnel to meet the demands of the company's growth and prepare for the offering of the full array of local exchange services in all of the company's markets.

The net loss for the first quarter of 1996 was \$6.6 million as compared to a net loss of \$2.2 million for the prior year's first quarter. Net loss per share was \$0.34, compared to a loss per share of \$0.11 in the prior year's quarter.

This shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of any securities of the company in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state. Copies of the prospectus relating to the offering dated May 2, 1996 may be obtained from Goldman, Sachs & Co., 85 Broad Street, New York, New York, 10004.

Brooks Fiber Properties, Inc., headquartered in St. Louis, Missouri, is a full service provider of competitive local telecommunications services in medium-sized cities across the United States. With networks installed or under construction in 25 cities, the company provides its customers with the most advanced and reliable high-capacity voice, video, data and other enhanced services on the market. Brooks Fiber Properties currently operates fiber optic networks in Springfield, Massachusetts; Providence, Rhode Island; Hartford, Connecticut; Grand Rapids and Lansing, Michigan; Oklahoma City and Tulsa, Oklahoma; Little Rock, Arkansas; Sacramento, San Jose, Sunnyvale, Santa Clara, and San Francisco, California. The Company has networks under construction in Ann Arbor, Michigan; Toledo, Ohio; Knoxville, Tennessee; Jackson, Mississippi; Tucson, Arizona; Albuquerque, New Mexico; Fresno, Bakersfield, Stockton, Milipitas, Palo Alto, California; and Reno, Nevada.

Brooks  
Markets

For additional information, visit the company's web site at  
<http://www.brooks.net.com>.

Selected Statistical Data

	As of March 31		Percentage
	1996	1995	Change
Cities In Operation	13	9	44%
Cities Under Construction	12	4	200%
Buildings Connected	495	143	246%
Route Miles	507	223	127%
Switches Installed	3	-	n/m
VGE Circuits	165,122	84,384	96%
Number of Employees	456	104	338%
Total Assets (in Thousands)	\$449,135	\$ 71,148	531%

Superior Management

---

Robert A. Brooks, chairman  
James C. Allen, vice-chairman/CEO  
D. Craig Young, president/COO  
John C. Shapleigh, executive vice-president  
David L. Solomon, senior vice-president/CFO  
James A. Brasunas, senior vice-president - carrier sales  
Richard P. Anthony, senior vice-president - marketing/strategy  
Dean Weston, vice-president - technology and engineering  
Michael E. Gibson, vice-president/treasurer  
Clifford G. Rudolph, president - western region  
Robert J. Shanahan, vice-president - northeast region  
Charlie Johnson, vice-president - central region

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ROBERT A. BROOKS, chairman  
[Robert Brooks Portrait]

Thirty-nine years experience as entrepreneur, business planner and developer, cable system operator, investor, engineer, consultant, project manager, expert witness and management advisor in cable television and broadband telecommunications. Founder and former Chairman of Cencom Cable Associates, purchased in 1991 by a subsidiary of Hallmark Cards. During the same period also; founding Director, investor and management advisor for ChemDesign Corporation, a chemical products company. Founding Director and Sr. Vice President of TC Industries and its wholly owned subsidiary, Telcom Engineering, Inc., a telecommunications engineering firm, for ten years. Eighteen years previously in cable television industry including positions as Vice President, Spencer Kennedy Laboratories (SKL), cable equipment manufacturer; President and CEO of SKL; and Chief Engineer of Communications System Division of Anaconda Wire and Cable. Presently Director of Chem Design Corporation and OneComm. BSEE from Northeastern University and currently a member of its Corporation. Member of President's Council of St. Louis University. Registered Professional Engineer. Member of NSPE, Senior Member of IEEE and inducted member of prestigious Cable Television Pioneers Club.

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JAMES C. ALLEN, vice-chairman/CEO

Twenty-five years experience as entrepreneur, business planner and developer, cable system operator, financier, expert witness and advisor in cable television and broadband telecommunications. Founder and former President, CFO and COO of Cencom Cable Associates, purchased recently by a subsidiary of Hallmark Cards. Former Vice President of Operations of Telcom Engineering, Inc., a telecommunications engineering and consulting firm with clients in both the telephone and cable television industries. Previously held positions as Vice President of Operations of United Cable Television, Divisional manager of Continental Telephone Corporation, and Vice President for Finance of National Communications Service corporation. Most recently he served as Chief Financial and Chief Operating Officer of David Lipscomb University from which he holds a BS degree.

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D. CRAIG YOUNG, president/COO

Sixteen years experience as an entrepreneur and senior manager in the telecommunications industry. Experience in both regulated and unregulated

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products and services, sales, operations, and financial management. Most recently served as Vice President Sales Operations of Ameritech Custom Business Services with full P&L responsibility for the 200 largest business customers of Ameritech, a Fortune 100 company. Previously held positions as Vice President Sales and Service - Business and Government Services US West Communications, Vice President/General Manager US West Information Systems, and President of Executone Information Systems. Bachelor of Science degree in Marketing, California State University.

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JOHN C. SHAPLEIGH, executive vice-president

Twenty-two years of entrepreneurial, management, regulatory, government policy and legal experience. Three years as Vice President of LDX NET, a developer of long distance fiber optic telephone networks, a position involving the negotiation of over \$100 million in debt financing agreements, the profitable sale of the company and oversight of all federal, state and local regulatory and legal matters. Two years as President of the Association for Local Telecommunications Services (ALTS), the national trade association for competitive local telecommunications companies. Four years providing specialized investment and regulatory advice to emerging domestic and international telecommunications clients such as BTC. One year as Associate Administrator of the National Telecommunications and Information Administration (NTIA) in the U.S. Department of Commerce, a key federal telecommunications policy position where he directed NTIA TELECOM 2000: Charting the Course for a New Century, a comprehensive review of eighteen telecommunications, mass media and information industries, including telephone, television and cable television. Three years as Commissioner, then Chairman of the Missouri Public Service Commission. Has served as counsel to Missouri Governor Christopher S. "Kit" Bond, and as law clerk to Attorney General John C. Danforth. AB from Dartmouth College (Senior Honors) and JD from the Washington University School of Law (Law Quarterly). Recipient of the President's Award of the Missouri Bar Association.

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DAVID L. SOLOMON, senior vice-president/CFO

Thirteen years experience in financial management and reporting, auditing, and business advisory services with a "Big Six" accounting firm. Most recently partner with KPMG Peat Marwick. Responsibilities included working with SEC registrants including participation in initial public offerings, equity offerings, debt offerings, and required filings. Clients served included organizations in the banking, thrift, insurance, and real estate industries. Other accomplishments included developmental assignment in KPMG Peat Marwick's Executive Offices in New York City and New Jersey during 1986 and 1987, since 1984 served as instructor for various KPMG Peat Marwick and American Institute of CPA's training programs. Member of American Institute and Tennessee Society of CPA's. Bachelor of Science degree from David Lipscomb University.

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JAMES A. BRASUNAS, senior vice-president, carrier sales

Over twelve years of sales/management experience within the telecommunications industry. Distinguished record in business development, revenue enhancement, budgeting and forecasts. Joined Northern Telecom in 1984, as Manager-Marketing Services, responsible for designing and implementing training programs for account managers and analyzing market share data. Promoted to National Account Manager, responsible for the sale of NTI transmission products including fiber optics, microwave radio and digital loop carriers to key government accounts. Developed and managed a pilot program that resulted in significant penetration of the USAF market.

Then served as Senior Manager-Metropolitan Network Sales providing sales levels in excess of \$45 million and launching the introduction of PCS product into the CAP/CATV market. Bachelor of Science from Massachusetts Institute of Technology and graduate studies at Institute for Comparative Studies, Gloucestershire, United Kingdom.

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RICHARD P. ANTHONY, senior vice-president, marketing & strategy  
Twenty-four years experience in management, marketing, engineering, and operations for telecommunications, cable television, competitive access, and long distance companies. Former Vice President of Telecommunications for Cablevision Industries, Inc. and responsible for establishing a telecommunications business for that cable MSO; Senior Vice President of Strategy, Marketing, and Networks for Intermedia Communications of Florida, Inc. (ICI), a competitive access provider that was one of the first CAPs to market enhanced services such as wide area network interface and frame relay and was one of the first CAPs to go public. Also Director of Data Communications for Telecom USA, President of Comlink 21/STS, and Regional Manager for the St. Louis area for USWest IS, as well as serving in city government and the U. S. Air Force. M.S. and B.S. from the University of Missouri.

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DEAN J. WESTON, vice-president - technology and engineering  
Thirty-five years' experience as division manager of outside plant engineering, special service, switching/dial administration, and transmission and trunking, including traffic engineering. Chaired numerous Ameritech and Bell Core technical panels involving network architecture, special services, switching/dialing administration, and outside plant engineering. Bachelor of Science degree in Electrical Engineering, University of Wisconsin, Operating Engineering Program, Bell Laboratories and Advanced Management Program, Duke University.

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MICHAEL E. GIBSON, vice-president/treasurer  
Twelve years experience in financial operations and analysis, auditing, consulting, and human resource management for cable television and telephone companies and a major accounting firm. Served for five years as Regional Director of Financial Operations and Human Resources for Cencom Cable, one of the nation's largest cable television MSOs. Responsible for \$50 million annual operating budget, and strategic analysis of all operating activities, including pricing, use of fiber optics, inventory control, and cash handling. Also directed all human resource activities. Previously Audit Manager with Arthur Anderson and Company. Client list included cable television and telephone companies. Certified Public Accountant. Undergraduate degree in accounting from Illinois State University and MBA from Indiana University.

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CLIFFORD G. RUDOLPH, president - western region  
Twenty-five years experience as an entrepreneur and senior executive in both the telecommunications and computer industry. Experience in both regulated and unregulated products and services, corporate and line functions including: marketing, sales, field operations, and financial management. Most recently served as General Partner for Sierra Associates, a consultant and advisor to major telecommunications and electric utilities. Previously held positions include: Vice President, Marketing- Business and Government

Services U.S. West Communications, Executive Vice President and Chief Operating Officer- David Systems, and Vice President, Marketing-Amdahl Corporation. Masters in Business Administration, Pepperdine University.

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ROBERT J. SHANAHAN, vice-president - northeast region

Twelve years sales/management and general management experience in the telecommunications industry. Joined Network Consultants in 1983 as sales/management. Responsible for long distance, land mobile, microwave and fiber optic by-pass systems sales and branch management. Promoted to Regional Manger for Western/Central New York and Ontario, Canada. Responsible for all direct sales, telemarketing and alternate channels sales activities. Territory Manager for AT&T Commercial Markets. Sales/Branch Manager for MCI in Boston. Established a new sales office in Rhode Island. General manager for RCI Long Distance for New England. Responsible for doubling regional revenues each year. Established alternate channels marketing program and opened two new states. Chosen to serve on business development advisory board, compensation development team, and President's Council award winner. Chairman's Inner Circle award winner and consistent top 10 branch performer. Bachelor of Science degree, Marist College.

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CHARLIE JOHNSON, vice-president - central region

Twenty-four years experience in telecommunications management. Previously held positions as Director of Engineering Southwestern Bell, Director of Operations Southwestern Bell and MCI, Director of Sales MCI, COO U. S. Long Distance, and President Vadacom. President of Rice Engineering Alumni and President of Texas Society of Telephone Engineering. Registered Professional Engineer. MCI Circle of Excellence award winner. Bachelor of Arts degree in Electrical Engineering and Masters of Electrical Engineering Degree, Rice University and MBA, University

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[Brooks Logo][Buttons][Image]

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### Gateway Private Line Services

Attractive Alternatives to Older, More Expensive Private Lines from LECs

Brooks Fiber Communications offers ultra-modern 100 percent fiber-optic "self-healing" SONET networks at a wide variety of speeds from T-1 (1.544 Mbps) to OC3C (155 Mbps). Whether you want to avoid LEC long-distance access fees by routing your local PBX traffic to your long-distance carrier (bypass), or establish permanent or temporary links between LANs with a qualified alternative to the old phone monopoly.

### Netway Network Extension Services

Breakthrough Technologies for the Fastest Metropolitan Networks!

The Brooks Fiber network can extend your LAN or data network with intelligent transport facilities supporting speeds up to OC3C, or 155 Mbps. Or transport broadcast-quality video -- even two-way video -- compressed to DS-3 (45 Mbps) locally or to long-distance carriers. Brooks Fiber offers Frame Relay and Asynchronous Transfer Mode (ATM) solutions, too.

### Local Switched Services

At last! A Choice for Local Dial Tone!

As outmoded regulations that protected old phone monopolies are falling state-by-state, Brooks Fiber Communications is there with modern competitive dial-tone with all the bells and whistles: call waiting, conference calling, caller ID, calling cards and Centrex. But Brooks Fiber is about to offer other features not available from many older phone companies, like custom billing, "Advanced Intelligent Networking" (AIN), and dial-up videoconferencing.

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[Brooks Logo][Buttons][Image]

At last! A Choice for Local Dial Tone!

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Gateway Exchange Access Services (GAES) are Brooks Fiber's premier central office switch-based services. GAES provides local dial tone, allowing your company or institution to place and receive calls from local and long-distance destinations.

Brooks Fiber's GAES family is supported by the most modern central office class switches connected to your organization, over Brooks Fiber's metropolitan area networks featuring SONET-based, diverse routed fiber-optic architecture. All switch and backbone transmission equipment is monitored 24 hours of every day, and is supported by a trained, dedicated force of local technicians and engineers.

Brooks Fiber's network is interconnected with the networks of all major long-distance carriers, as well as with the incumbent local exchange carrier. You can count-on Gateway Exchange Access Services for reliability and service quality.

Choice in local telecommunications is new, especially with switched services. To assist newcomers to the competitive market, the most esoteric phrases, abbreviations and acronyms can be clicked for a quick definition.

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#### GATEWAY Exchange Access Services Index

GATEWAY Business Line Service  
 GATEWAY Basic Trunk Service  
 GATEWAY Digital Trunk Service  
 GATEWAY Omniserve Digital Exchange Service  
 Custom Exchange Service I (CES1)  
 Custom Exchange Service II (CES2)  
 ISDN Custom Exchange Service  
 Basic Rate ISDN Service (BRI)  
 Primary Rate ISDN Service

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#### GATEWAY Business Line Service

GATEWAY ~~Business Line Service~~ **is** a single, voice-grade channel which allows a customer to place one telephone call at a time between the customer's premises equipment and the public switched telephone network. Brooks Fiber's service provides local dial tone for intra-exchange calls to parties either on the Brooks Fiber network or -- through network interconnection -- to parties on the local telephone company network. Our business line service also allows access to long-distance carriers for pre-subscribed toll-calling. Service is billed with a monthly charge plus a per message unit charge, or at a flat rate.

#### Optional Features:

Following are optional features charged at additional monthly and pre-activation (non-recurring) charge:

- Call trace (last call received)
- distinctive ring
- caller ID
- multi-line ringing (up to three lines)
- remote call-forward
- number retention



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#### GATEWAY Basic Trunk Service

Brooks Fiber's GATEWAY Basic Trunk Service provides a single voice-grade channel which can be used to place or receive one call at a time between the customer's PBX and the switched public telephone network. This service differs from Brooks Fiber's GATEWAY Business Line Services (measured- and flat-rate) in that this product is designed for PBXs, rather than key- or single-line sets. Call-handling features, such as call-waiting, are not available options with Brooks Fiber's Basic Trunk Service, nor is DID. Basic Trunk Service may be used for placing local calls for termination to local exchange numbers or -- through the LEC or IXC -- for toll-services using pre-subscription.

Touch-tone signaling is standard. Other standard features include hunt-group configuration, where Brooks Fiber provides other Basic Trunks. Optional features include DID capability and number-retention. DID service passes dialed digits from incoming calls to the customer's PBX, allowing incoming calls to be routed directly to individual stations corresponding to the DID number.

Brooks Fiber's GATEWAY Basic Trunk Service is available in flat- or measured-rates, where the LEC or other competitors offer similar services, and where local regulations permit these services.

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#### GATEWAY Digital Trunk Service

GATEWAY Digital Trunk Service provides a 1.544 Mbps connection between the customer's compatible PBX and the switched public telephone network. Digital trunks are multiplexed into 24 voice-grade channels, each of which can be used to place or receive on call at a time. Digital trunks may be provisioned at the customer's option, with either Dual Tone Multi-frequency (DTMF) or Multi-frequency (MF) signaling, and may be configured into hunt-groups with other Brooks Fiber-provided Digital Trunks. The standard customer interface is DSX-1. Individual channels with a Digital Trunk may be equipped with DID capability.

This service is available by flat or measured rates. The measured service includes a monthly charge for the facility and each channel, as well as a per-call set-up fee, which includes the first minute, and a message-unit fee based on six-second increments.

[Click here to return to GATEWAY Services Index.](#)

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#### GATEWAY Omniserve Digital Exchange Service

##### [Omniserve Illustration]

Brooks Fiber's Omniserve is a digital trunk service providing a 1.544 Mbps connection between the customer's compatible PBX and the switched public telephone network or other private and long-distance facilities. Brooks Fiber's Omniserve provides 24 voice-grade channels on digital facilities which the customer may allocate among public switched network access, DID and DOD trunks, 800 service, or other applications such as FX lines, OPX lines, dedicated access to Brooks Fiber's frame relay service, or dedicated access to long-distance carriers.